

OUTCOME GOAL 1.1 - INCREASE EMPLOYMENT, EARNINGS, AND ASSISTANCE

Overview

The National unemployment rate remained at a low 4 percent average throughout 2000. Nevertheless, a significant portion of the American population still lives at or near poverty level and faces barriers to achieving steady employment and livable wages. With rapid technological advances, the knowledge and skills to participate in the new digital economy increasingly predict individual success. Among those particularly lacking critical skills and at special risk of a life of poverty are low-income adults, welfare recipients, individuals with disabilities, and veterans who are struggling with homelessness, service-connected disabilities and readjustment to civilian life.

Serving the Public

The Employment and Training Administration and the Veterans' Employment and Training Service (VETS), with support from the Women's Bureau, operate a number of programs focused on breaking the cycles that lead to poverty.

- Adult programs authorized under the Workforce Investment Act (WIA) provide the training and support needed to increase participants' occupational skills, employment prospects, and earnings. Public assistance recipients and other low-income individuals receive priority for services under WIA.
- Welfare-to-Work programs provide welfare recipients with education, training and assistance tailored to prepare individuals with multiple barriers to employment to obtain jobs. The program also provides other supportive services, such as child care and medical benefits, necessary to make the successful transition into long-term employment and economic self-sufficiency.
- Work Incentive Grants focus on improving access to the One-Stop system and developing comprehensive, model services for people with disabilities. These grants enable States and local-level communities to provide suitable training, expand outreach and communications to organizations serving people with disabilities, and improve access to both facilities and programs to reduce current unemployment rates which can exceed 70 percent for people with significant disabilities.
- VETS programs target veterans requiring special assistance, such as individuals who have disabilities, are homeless or receive welfare, minority and older veterans, as well as younger veterans recently released from active service. These groups often have unemployment rates above the National average.
- The Women's Bureau seeks to ensure that issues of importance to women are identified and supported in departmental programs, provides direct assistance to women, and provides policy advocacy and initiatives in advancing better pay and benefits, expanding training opportunities, and improving worklife.

Challenges

The challenge for the 21st century is to develop a framework for lifetime learning that encourages workers to acquire and update the basic and technical skills needed for long-term, successful employment. As a key component of this framework, WIA which was fully implemented on July 1, 2000, offers opportunities for any adult, regardless of income, to advance his/her career through the One-Stop system. The unparalleled State and local flexibility and participant control over training decisions afforded under WIA will challenge the Department to effectively guide the new system in preparing the workforce to meet the demands of the new century's high-tech workplaces.

WELFARE-TO-WORK (WtW) PROGRAM - INCREASE RETENTION RATE AND AVERAGE EARNINGS OF WtW PARTICIPANTS

Goal 1.1A: Of those Welfare-to-Work (WtW) participants placed in unsubsidized employment, 60 percent will remain in the workforce for six months with 5 percent average earnings increase by the second consecutive quarter following the placement quarter.

Results: This goal was exceeded. Of those WtW participants placed in unsubsidized employment, 84 percent remained in the workforce for six months with 59¹ percent average earnings increase by the second consecutive quarter following the placement quarter.

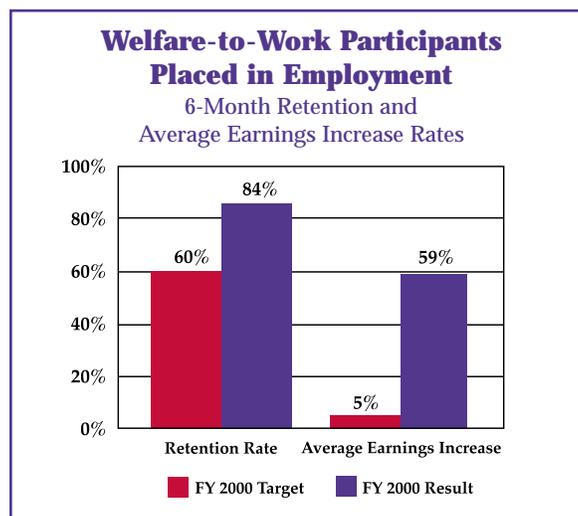
Program Description: The WtW program began in FY 1998 by issuing grants to States and local communities to increase job opportunities for the hard-to-employ recipients of Temporary Assistance for Needy Families (TANF). Grantees provide welfare recipients, noncustodial parents, and low-income custodial parents with job readiness services such as work culture preparation, pre-employment job training, and vocational educational training. Job placement services and work based activities such as community service and on-the-job training are also provided. WtW program participants also receive post-employment services such as General Educational Development (GED) preparation, occupational skills training, and supportive services, such as emergency housing, child care, and transportation assistance.

Analysis of Results: The 84 percent retention rate is attributed largely to the WtW emphasis on post-employment and other supportive services. The 59 percent earnings increase rate is likely to be inflated due to misinterpretations of the reporting guidance by a number of grantees.

A major technical assistance effort is underway to determine the degree to which grantees may be reporting incorrectly, to correct inaccurate reports, and to resolve grantees' reporting challenges. DOL will issue shortly revised WtW reporting instructions and formats to incorporate changes from the WtW Amendments of 1999 and to clarify the reporting instructions.

Strategies: In FY 2001, DOL will focus on identifying and improving WtW participants' longer-term retention, career advancement, and wage gains.

First, the Department plans to implement a pilot program that provides funding to employers to upgrade the skills of their TANF employees, providing these employers backfill the entry level positions with WtW participants. DOL also plans to work to assure that the TANF reauthorization process incorporates local, State and Federal lessons learned in WtW implementation.

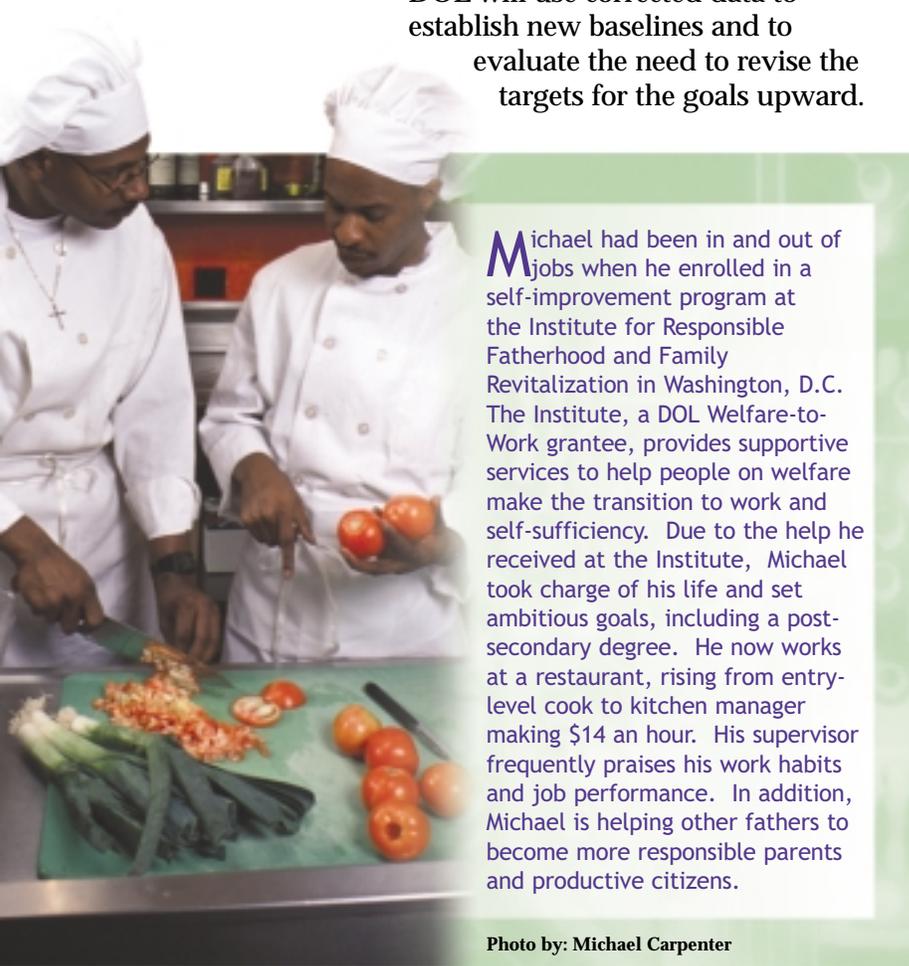


¹ The 59 percent earnings increase is being reviewed. It appears to be inflated due to inconsistent grantee reporting.

Lastly, DOL plans to target the development of whole family programs that help participants, primarily fathers, focus on their children and help the custodial parent access community resources and achieve self-sufficiency.

Goal Assessment and Future Plans:

DOL will use corrected data to establish new baselines and to evaluate the need to revise the targets for the goals upward.

A photograph showing two men in white chef uniforms and hats working in a kitchen. They are focused on preparing food on a green cutting board. One man is using a knife to chop, while the other is holding a tomato. The background shows kitchen shelves with various items.

Michael had been in and out of jobs when he enrolled in a self-improvement program at the Institute for Responsible Fatherhood and Family Revitalization in Washington, D.C. The Institute, a DOL Welfare-to-Work grantee, provides supportive services to help people on welfare make the transition to work and self-sufficiency. Due to the help he received at the Institute, Michael took charge of his life and set ambitious goals, including a post-secondary degree. He now works at a restaurant, rising from entry-level cook to kitchen manager making \$14 an hour. His supervisor frequently praises his work habits and job performance. In addition, Michael is helping other fathers to become more responsible parents and productive citizens.

Photo by: Michael Carpenter

Program Evaluation: The Balanced Budget Act of 1997 instructed the U.S. Department of Health and Human Services (DHHS) to evaluate the effectiveness of WtW initiatives, including those undertaken by WtW formula and competitive grantees. In February 2000, DHHS' Office of the Assistant Secretary for Planning and Evaluation released a new report in this evaluation of WtW, *Early*

Implementation of the Welfare-to-Work Grant Program: Findings From Exploratory Site Visits and Review of Program Plans. A second report on this evaluation was issued in May 2000, *Further Progress, Persistent Constraints: Findings From a Second Survey of the Welfare-to-Work Grants Program.*

The report includes findings that WtW program implementation has advanced, but participation levels still lag and the projected scale of WtW programs remains modest. In response, in 2000, the period over which grantees may expend their WtW funds was extended by two years. This extension enables all grantees to continue enrolling new participants longer and thus improve their chances of meeting WtW participation targets. Appendix 3 provides further information on these evaluations. ■

INCREASE EMPLOYMENT AND EARNINGS FOR DISADVANTAGED ADULTS

Goal 1.1B: Sixty four percent of Job Training Partnership Act (JTPA) adult disadvantaged trainees will be employed one quarter after program exit with average weekly earnings of \$292.

Results: This goal was fully achieved. The entered employment rate at follow-up was 66 percent, 2 percent more than the targeted level of 64 percent. The average weekly earnings at follow-up were \$347, which significantly exceeded the goal of \$292.

Program Description: The Workforce Investment Act (WIA) replaced the Job Training Partnership Act (JTPA) on July 1, 2000, but WIA data will not become available until July 1, 2001. The Department is continuing to report performance under JTPA in the interim. JTPA Title II-A, Training Services for Disadvantaged Adults, establishes programs to prepare economically disadvantaged adults for the workforce by increasing their occupational and educational skills. States and local service delivery areas historically serve approximately 300,000 participants annually under grants totaling \$955 million. Participants receive services including career assessments, classroom and on-the-job training, and special supportive services, such as child care and transportation assistance.

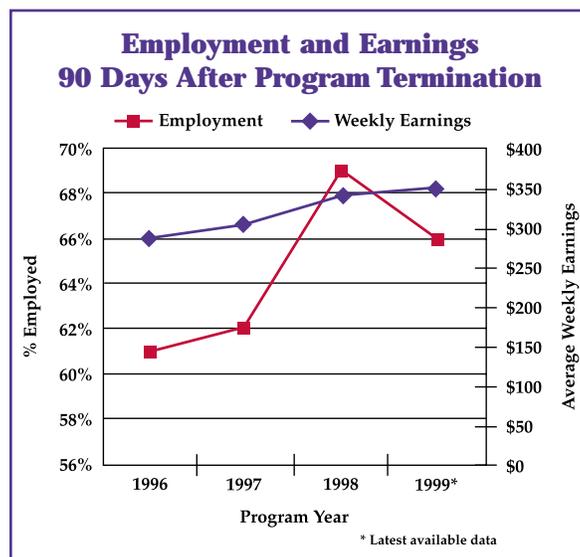
Analysis of Results: Although the Program achieved its goals, one possible explanation for the decline from Program Year 1998 in the follow-up employment rate is the fact that the States implementing the WIA early, which were high performers in

previous years, did not report JTPA data. Because of the incremental nature of the transition from JTPA to WIA, six states implementing WIA early -- Vermont, Kentucky, Florida, Indiana, Texas and Utah -- established new WIA participant tracking procedures. Their omission from JTPA reports may have affected the Program Year 1999 National average.

To assure greater data integrity, DOL has launched a major data validation and quality initiative designed to improve the overall validity, reliability, and timeliness of its program data. The

Department is pursuing an approach that promotes data quality throughout the workforce development system. DOL's activities include: (1) developing common data definitions and common data formats; (2) delivering a consistent message concerning these definitions to the system; and (3) providing system-wide staff training, where necessary. This approach is similar to the method now employed for validation of Unemployment Insurance data.

Strategies: The following strategies most likely have contributed to the long-term performance improvements: 1) employment and training services were successfully designed to meet the needs of the disadvantaged; 2) supportive services, such as transportation and child care,



were provided to participants; and 3) the program leveraged the resources and expertise of Federal, State, business, and related community-based organizations.

WIA builds upon the successful strategies of JTPA, including: extensive partnering with Federal, State, business and community-based organizations; maintaining strong accountability at all levels of Government; and assuring comprehensive services to address barriers to employment. The new features of the WIA program include universal access to program services by all adults with priority given to low-income individuals, and the use of Individual Training Accounts to give customers maximum choice in selecting quality training to further their career objectives.

Under WIA, eligibility for adult services is expanded beyond JTPA, which focused on the economically disadvantaged population. This change to universal access is significant, and its impact on program design, services, and outcomes will be studied. Moreover, under WIA, customers use Individual Training Accounts to select a training provider, based on consumer report information that includes performance data. The expectation is that market forces will lead to more effective utilization of training providers and services.

Goal Assessment: The WIA performance goals focus on longer-term retention. Specifically, the measures include employment retention and earnings change two quarters after program exit. These new measures better capture gains in participants' earnings by comparing two quarters of post-program earnings with two quarters of pre-

program earnings. DOL is also measuring employment retention and earnings change twelve months after program exit. The Unemployment Insurance wage record system is the primary source for the new outcome measures. The FY 2000 Annual Performance Plan reflects the change to WIA and the FY 2001 Report will report on achievements under WIA. ■

JOBS FOR SPECIAL DISABLED VETERANS

¹Goal 1.1D: Assist 10,000 service-connected disabled veterans to find jobs.

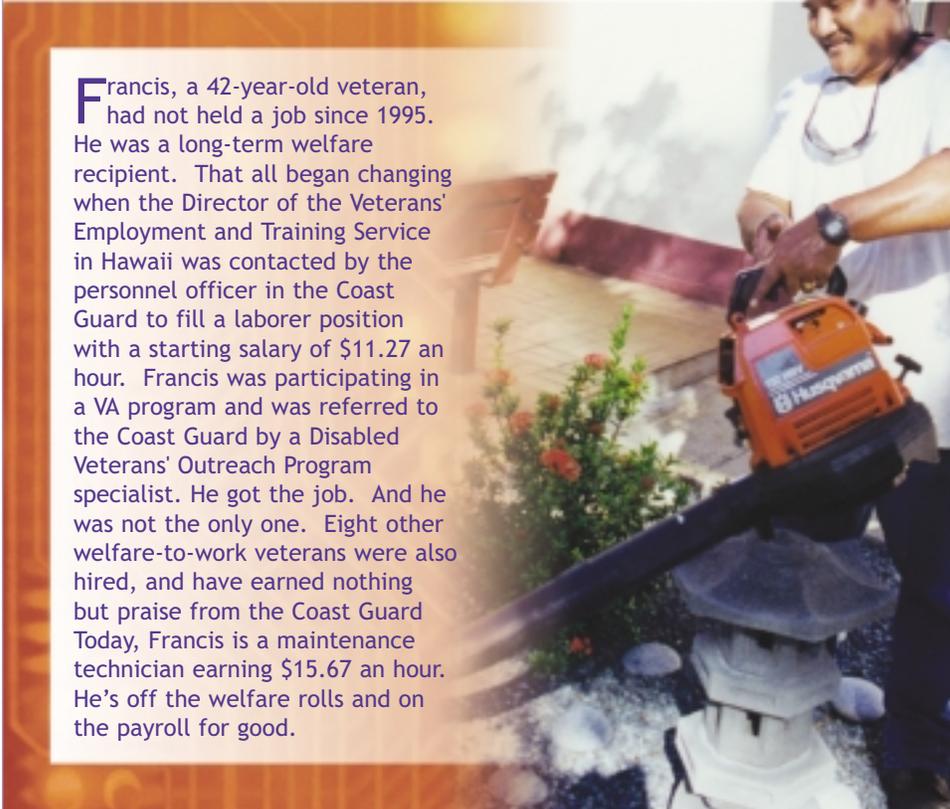
Results: The goal was exceeded. 14,508 special disabled veterans have been assisted to enter employment.

Program Description: The DOL's Disabled Veterans' Outreach Program (DVOP) and Local Veterans' Employment Representative (LVER) programs develop and promote training and employment opportunities for the Nation's veterans, with special emphasis on assisting disabled and Vietnam-era veterans. These programs operate through a system of State and local public-private partnerships to target veterans who have been unsuccessful in forming long-term job and career attachments. This goal targets employment assistance for special disabled veterans who have a disability rating of 30 percent or more, and represent the most difficult to serve portion of the special disabled veteran population.

Analysis of Results: The data reflect that the strategies of the Department's Veterans' Employment and Training Service (VETS) are working. Efforts by grantees and staff are directed toward those individuals with the greatest need for assistance, specifically those veterans with multiple barriers to employment or those subgroups of veterans suffering from higher levels of unemployment. Consistent with this strategy for increasing our emphasis on the harder to serve veterans, more job-ready

veterans are now being assisted by the mainstream public employment service system.

A total of 62,131 special disabled veterans registered for assistance during the fiscal year. Of these, DVOP and LVER staff served 43,642 while the remainder used self-help facilities or were assisted by the mainstream public employment service system. Some of those served by the DVOP and LVER staff were not readily available for referral to employers, others were referred to training or supportive services, and some were in the process of completing their vocational rehabilitation programs. Nevertheless, the 14,508 special disabled veterans helped into jobs by DVOP and LVER staff represents 33 percent of those seeking their assistance.



Francis, a 42-year-old veteran, had not held a job since 1995. He was a long-term welfare recipient. That all began changing when the Director of the Veterans' Employment and Training Service in Hawaii was contacted by the personnel officer in the Coast Guard to fill a laborer position with a starting salary of \$11.27 an hour. Francis was participating in a VA program and was referred to the Coast Guard by a Disabled Veterans' Outreach Program specialist. He got the job. And he was not the only one. Eight other welfare-to-work veterans were also hired, and have earned nothing but praise from the Coast Guard Today, Francis is a maintenance technician earning \$15.67 an hour. He's off the welfare rolls and on the payroll for good.

¹ Goal 1.1C was dropped from the Department's FY 2000 Annual Performance Plan. An explanation is provided in Appendix 2.

The data upon which the outcome is based is collected by the States' public employment service system as individuals register for assistance. Data are maintained on each individual registering for services, and the Employment and Training Administration monitors the validity of the data.

Strategies: A case management approach is proving successful in assisting special disabled veterans. With this approach, the disabled veteran's job search efforts are closely assisted by the DVOP and LVER staff and more intensive services such as diagnostic testing, career planning, and individual counseling are available. Veterans facing fewer employment barriers are encouraged to take advantage of the extensive array of self-service or assisted services offered through the public employment service system. VETS also conducted joint training with Department of Veterans Affairs' Vocational Rehabilitation and Employment staff to ensure the successful transfer of veterans from vocational rehabilitation to job search assistance; over three-quarters of special disabled veterans referred from the VA were assisted into jobs.

Goal Assessment: For FY 2001, VETS has targeted employment for homeless veterans, another group which requires a higher level of service and assistance to secure employment. ■

WORK INCENTIVE GRANT PROGRAM-ENHANCE SERVICES FOR PEOPLE WITH DISABILITIES

Goal 1.1E: The new Work Incentive Grant program will be implemented by September 30, 2000, with plans for 20 to 40 awards in State and local areas to enhance services for people with disabilities in the One-Stop Center environment.

Results: This goal was fully achieved. DOL completed development of the Work Incentive Grant program and awarded grants to 23 State and local entities.

Program Description: The Work Incentive Grant program is a \$20 million competitive grant program to enhance the employability, employment, and career advancement of people with disabilities. The program addresses multiple barriers to employment by providing expanded availability of information and services, including Medicare, Medicaid, housing, transportation, developmental disability, and mental health services at the State and local level.

Analysis of Results: The Work Incentive Grants utilize the comprehensive services provided under the Workforce Investment Act (WIA) One-Stop system and build upon initiatives set forth in the Ticket to Work and Work Incentive Improvement Act of 1999. Technical Assistance/Bidders Conferences were conducted jointly with the Social Security Administration and the Health Care Finance Administration to promote collaboration across respective grant programs being awarded by each agency. Consultations were also held with the Presidential Task Force on Employment

of Adults with Disabilities as well as other Federal agencies to incorporate their issues and concerns in the grant program design.

Strategies: The Workforce Investment Act includes universal access as one of its primary principles. Historically, the mainstream employment and training programs have not had the ability or resources to serve individuals with disabilities in a comprehensive or consistent manner. The One-Stop Centers opening under WIA have the potential to be the primary resource for improving skill development and employment opportunities for this population. The Work Incentive Grant program will be a significant tool to actualize this potential.

Goal Assessment: In FY 2001, the Department will institute an evaluation component to assess the Work Incentive Grant program's success in expanding services and information available to individuals with disabilities in the One-Stop Center environment. ■

HELP VETERANS ENTER EMPLOYMENT

Goal 1.1F: 27 percent of veterans that register with the Public Employment Service will enter employment and for DVOP and LVER staff the ratio will be 30 percent.

Results: The goal was fully achieved. For DVOP and LVER staff, the entered employment rate was 32 percent. The entered employment rate for veterans helped by the public employment service system was 32 percent.

Program Description: The Department's Veterans' Employment and Training Service (VETS) develops and promotes training and employment opportunities for the Nation's veterans, with special emphasis on assisting Vietnam-era veterans and those who are disabled or disadvantaged. Disabled Veterans Outreach Program (DVOP) staff deliver the program locally, providing veterans with employment, placement, job development and supportive services. Local Veterans Employment Representatives (LVERs) monitor and assist local offices to provide services on a priority basis for veterans.

Analysis of Results: The data validates the strategy of relying upon the mainstream public employment service system to provide most of the assistance to job-ready veterans, allowing the DVOP and LVER staff to concentrate their efforts on the harder to place veterans. Efforts by grantees and staff are directed toward those individuals most in need of assistance, specifically those veterans with multiple barriers to employment or those veterans' subgroups suffering from higher unemployment rates.

A report on the quality of the data used by VETS to measure performance outcomes identified shortcomings that VETS is addressing. The report confirmed that the current reporting system under-reports the accomplishments of VETS funded staff. VETS relies on data collected by the States for reporting to the Department's Employment and Training Administration (ETA); this system was in place prior to the passage of the Government Performance and Results Act and the Workforce Investment Act, and is not conducive to the measurement of performance outcomes.

Two recent studies highlighted the use of Unemployment Insurance (UI) wage record data as offering greater validity in determining the number of veterans who enter employment. The first study conducted in Maryland compared VETS data with wage record data and concluded that DVOP/LVER staff are assisting veterans to find jobs for which the program is not receiving full credit. A second study conducted in California corroborates the Maryland study. Data provided on the Employment Service Program Report for Program Year 1998 showed that 3.7 percent of registered veterans assisted by the public employment system (including the DVOP and LVER staff) in California became employed, whereas California UI wage record data showed that 59.9 percent of veterans who had registered with the public employment service obtained jobs in the first quarter after registration.

Because of these studies, VETS and ETA are revising their performance outcome measures and anticipate using UI wage record data to measure the effectiveness of services provided to our Nation's veterans.

Strategies: A case management approach is used to assist those veterans with the greatest need; this involves constant monitoring and the provision of intensive services to the client. Veterans facing fewer employment barriers are encouraged to take advantage of the wide array of self-service or assisted services offered through the public employment service system. This strategy has resulted in a higher number of veterans with multiple barriers receiving the benefit of more intensive services, particularly special disabled and homeless veterans.

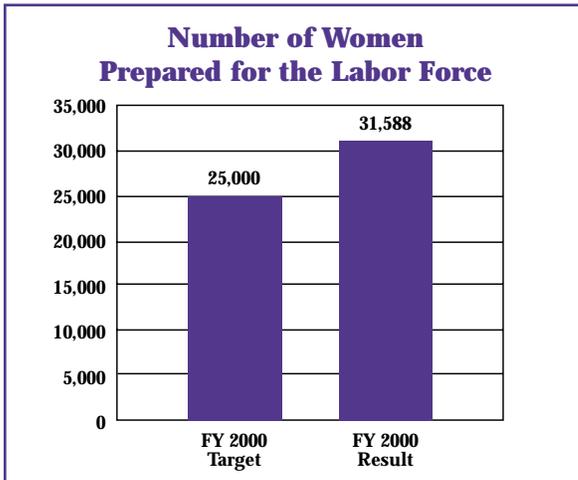
DOL continues to encourage efforts to enable minority veterans, veterans receiving public assistance, and young veterans to find jobs. Increased attention also continues to be devoted to monitoring Federal contractors' affirmative action efforts and veterans' preference in the Federal sector.

Goal Assessment: In FY 2001, the equivalent FY 2001 goal targets: 27 percent of those veterans and other eligible persons registering for public labor exchange services will enter employment each year through assistance provided by VETS' funded staff and the Wagner-Peyser funded systems. As VETS gains experience with the improved measurement approaches, the goals will be adjusted accordingly. ■

PREPARE WOMEN FOR THE LABOR FORCE

Goal 1.1G: Prepare 25,000 women for the labor force by providing them with tools and education on equal pay, occupational segregation, pension benefits, dependent care, nontraditional occupations, safe and healthy workplaces, and rights in the workplace.

Results: Performance exceeded the goal. 31,588 women received assistance, surpassing the FY 2000 target by 26 percent.



Program Description: The mission of DOL's Women's Bureau is to advance opportunities for women in the workforce. As the trend of female participation in the workforce increases, the

Department seeks to provide information, skills, and support networks to women trying to enter or advance in the workforce.

Analysis of Results: The 31,588 women reached directly include women provided individual assistance or consultation, women aided through service providers, employers educated or provided information, women provided assistance to gain entry into apprenticeships and non-traditional occupations through grant programs, and women provided information and assistance to gain entry into high-wage, high-tech careers.

One example is a Women's Bureau joint advocacy effort with the New York Women's Foundation. Together, the organizations worked with the Welfare Rights Initiative, an association of City University of New York students on public assistance, to build leadership and career readiness among its members. In FY 2000, more than 20 of its alumnae left the welfare rolls and entered graduate school, law school, or employment in jobs in community based organizations throughout the city.

In another initiative, the Women's Bureau, in collaboration with the Pennsylvania Women Work!, Vocational Technical Education, National Industry of Metal Working Standards Association, and DOL's Employment and Training Administration, developed a Workforce Investment Act Machining Careers Awareness Project. This project resulted in approximately 20 women increasing their earnings through entry into this higher paying non-traditional occupation.

The 31,588 women reached directly, as measured by the Women's Bureau, are a sub-set of the estimated 1.3 million women reached indirectly through DOL's influence in changing policies and programs as well as other advocacy activities. For example, the Women's Bureau presented fact-based information to the Atlanta City Council on the experience of other cities in the region that have a Commission on the Status of Women. As a direct result of the presentation, a City Ordinance was passed and a new commission established to address employment and health policies for women throughout the Atlanta metropolitan area.

Several sources of data are used for collecting performance information: an automated tracking system to collect data for technical assistance provided to women; an evaluation form used at workshops, conferences, symposiums, and forums; contractor reports of results; comment cards distributed with all Departmental publications as well as at some sponsored and/or co-sponsored events and exhibits; and, unsolicited information, such as letters from constituents.

Strategies: Joining in collaborative ventures and partnerships with public, private, and academic sectors, the Women's Bureau leverages its resources to reach out to the widest possible audience through vehicles such as workshops, training sessions, and public forums.

Goal Assessment: More careful tracking of the number of women reached in FY 2000 and continuing efforts to refine program outcome measurement indicates that targeting another significant increase in accomplishments for FY 2001 would be unrealistic. Accordingly, the goal for FY 2001 has been revised to a five percent increase over the FY 2000 level. ■



Women in nontraditional jobs make good economic sense.

Photo by: Michael Carpenter